



VIA ECFS

March 5, 2014

Marlene H. Dortch, Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, D.C. 20554

Attn: Wireline Competition Bureau

RE: W.C. Docket No. 10-90
Rural Broadband Experiment Expression of Interest for Price Cap Areas
Federated Telephone Cooperative (City of Appleton, Minnesota Project)

Dear Ms. Dortch:

Federated Telephone Cooperative hereby expresses an interest in participating in the Commission's rural broadband experiment to provide robust, scalable high-speed broadband to underserved high-cost areas with additional Connect America funding.

Background

Federated Telephone Cooperative (herein referred to as FTC) was formed as a cooperative in 1952 with five original exchanges. Today, FTC is a rural ILEC and CLEC serving ten (10) exchanges in West Central, Minnesota, all served by a Fiber To The Premise system. FTC's first deployment of the FTTP system commenced with one of the two initial RUS FTTH field trials in 1995. FTC has demonstrated 19 years of successful FTTP deployments, covering approximately 1,100 square miles, 1,800 miles of fiber and serving 3,900 subscribers.

If provided funding under the FCC Rural Broadband Technology Trials, our project will construct Fiber To The Premise throughout the City of Appleton, Minnesota, which we will extend off the FTTP network we already have in place.

Partners: Our partners in this project will be an electric company (Otter Tail Power Company) and the City of Appleton, Minnesota. This fiber network would be owned by FTC to provide voice and broadband services. Our partner, Otter Tail Power Company, would use this fiber network as a test bed for implementing a Smart Grid technology to its electric customers, such as automated metering infrastructure (AMI), load control, and Smart Home technology. Electricity needs are no longer simple. Today's digital and computerized equipment and technology depend on an infrastructure that allows for two-way communication between the utility and its customers. Our proposed rural broadband technology

trial sets an example world-wide for deploying a future-proof technology for the next generation, partnering with electric providers to conserve energy and control costs.

Our ILEC and CLEC territory surrounds the city of Appleton. FTC constructed Fiber To The Premise throughout the rural Appleton exchange in 2012 using funds awarded in the RUS BIP Project MN 1112-A40, which unfortunately, excluded the City of Appleton. The City of Appleton and its residents have requested FTC's voice and broadband service. The project would pass an estimated 851 drops to residents, businesses and anchor institutions, carrying all traditional, 911, and IP traffic to the rest of the world on a redundant fiber network.

Upon completion of this proposed project, customers who subscribe to FTC's services would be brought into the cooperative and have the same rights and privileges as existing members. FTC is designated as an Eligible Telecommunications Carrier (ETC) and has certificate of authority to provide services in the Appleton, Minnesota exchange area.

Geographic Territory

The territory being considered for this field trial is the City of Appleton, located in West Central Minnesota. The City of Appleton covers 1.97 square miles with a population of 1,412. Complete or partial Census Tracts included in this exchange were listed in the eligible locations and are as follows:

MN 27151 Swift County 27151960400

List of Anchor Institutions

The list of anchor institutions that are included in this territory being applied for include:

Schools

Appleton Elementary School	349 S Edquist Street	Appleton, MN 56208
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Library

Appleton Public Library	323 West Schlieman Ave	Appleton, MN 56208
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Health Care

Appleton Municipal Hospital	30 South Behl Street	Appleton, MN 56208
Appleton Municipal Nursing Home	30 South Behl Street	Appleton, MN 56208
Appleton Medical Clinic	30 South Behl Street	Appleton, MN 56208

Government Centers

City of Appleton	323 West Schlieman Ave	Appleton, MN 56208
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Public Safety

Appleton Fire Department	230 West Snelling Ave	Appleton, MN 56208
Appleton Police Department	323 West Schlieman Ave	Appleton, MN 56208

Other Non-Government

Prairie Correctional Facility (Vacant)	445 S Munsterman Street	Appleton, MN 56208
Pioneer Public Television	120 W Schlieman Ave	Appleton, MN 56208

Proposed Technology

FTC proposes to deploy Fiber To The Premise, which is a future-proof technology with virtually unlimited speeds. This network will be connected to an existing 10Gig ring for voice, data and IP technology providing a redundant ring. FTC will own the fiber network and work with our partner, Otter Tail Power Company, to use the network to test and setup their Smart Grid service offering.

FTC's Proposed Residential Offerings

\$18.00 per month	Residential Local Phone + Calling Features per Month
\$60.00 per month	Residential Bundle (Local Phone + Calling Features, 20 Mbps High Speed Internet, Long Distance Option)

FTC's Proposed Business Offerings

A loyalty discount is available to business members who subscribe to FTC for their local, long distance and Internet services. Signed contracts (provided by FTC) are required with term commitments. Gigabit connections will also be offered. Packages and pricing is yet to be determined based on similar offerings in our ILEC and CLEC service area.

Partner's Proposed Offerings

Electric Smart Grid by Otter Tail Power Company

State and/or Local or Tribal Government Participation in and/or Support for Project

The City of Appleton, Minnesota, supports this project, is our partner in this project, and agreed to help fund this project. The City of Appleton is coordinating with FTC to develop and implement processes and procedures to engineer an efficient and effective network. We will work with the City of Appleton to apply for a Permit for construction in the City Right-of-Way.

Existing Providers

The existing telecommunications provider for local voice is CenturyLink who offers Asymmetric xDSL broadband technologies with the most common advertised download speed of 768K-1.5 Mbps. In order to provide residents, businesses and anchor institutions with a robust reliable future proof network that would allow virtually unlimited options for future services and to provide a solution to meet their needs both now and in the future is a fiber network infrastructure, which is not provided by the existing provider.

Project Timeline

The construction of this project is ready as soon as funding is acquired and the necessary engineering and splicing contracts are put in place. FTC is experienced with Fiber To The Premise construction in both town and rural areas and has successfully completed 20 fiber construction projects. We are projecting the construction of this project to take one (1) year.

Scalability

A fiber network is future-proof and able to handle the technology and increasing bandwidth needs for the next generation. With the ever changing and increasing demands of electricity, a fiber infrastructure is best to implement a Smart Grid technology, which would conserve energy, improve restoration of power disturbances, control costs and improve security and public safety.

Total Utility Investment

\$1,353,090

One Time Capital Infrastructure Investment Needed

\$3,157,210

Total Project Cost

\$4,510,300

Federated Telephone Cooperative appreciates the opportunity to provide this non-binding expression of interest.

Sincerely,

A handwritten signature in black ink, appearing to read 'Kevin Beyer', with a long horizontal flourish extending to the right.

Kevin Beyer
General Manager